



DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-857]

Certain Softwood Lumber Products from Canada: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: As a result of this expedited sunset review, the U.S. Department of Commerce (Commerce) finds that revocation of the antidumping duty (AD) order on certain softwood lumber products (softwood lumber) from Canada would likely lead to the continuation or recurrence of dumping at the levels indicated in the “Final Results of Sunset Review” section of this notice.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Zachary Shaykin, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2638.

SUPPLEMENTARY INFORMATION:

Background

On January 3, 2018, Commerce published the AD order on imports of softwood lumber from Canada.¹ On December 1, 2022, Commerce published the notice of initiation of the first sunset review of the *Order* pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).²

On December 5 and 16, 2022, Commerce received notices of intent to participate within

¹ See *Certain Softwood Lumber Products from Canada: Antidumping Duty Order and Partial Amended Final Determination*, 83 FR 350 (January 3, 2018) (*Order*).

² See *Initiation of Five-Year (Sunset) Reviews*, 87 FR 73757 (December 1, 2022).

the 15-day deadline specified in 19 CFR 351.218(d)(1)(i) from, respectively, the Committee Overseeing Action for Lumber International Trade Investigations or Negotiations (COALITION) and Sierra Pacific Industries and its subsidiary (Sierra Pacific) (collectively, the domestic interested parties).³ The domestic interested parties claimed interested party status under sections 771(9)(C) and (F) of the Act, as a manufacturer in the United States of the domestic like product and as an association of interested parties described in sections 771(9)(C) through (E) of the Act, respectively.⁴

On December 30, 2022 and January 3, 2023, Commerce received timely and adequate substantive responses to the notice of initiation from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3).⁵ On January 5, 2023, one respondent interested party, Resolute FP Canada Inc. (Resolute) submitted a timely yet inadequate⁶ substantive response to the notice of initiation.⁷ On January 10, 2023, we received rebuttal comments to Resolute’s substantive response from a domestic interested party.⁸ On January 25, 2023, Commerce notified the U.S. International Trade Commission that we did not receive an adequate substantive response from respondent interested parties.⁹ As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted expedited (120-day) sunset reviews of the *Order*.

On January 26, 2023, Resolute submitted a request that Commerce provide interested

³ See COALITION’s Letter, “Five-Year (“Sunset”) Review of the Antidumping Duty Order on Certain Softwood Lumber Products from Canada: Notice of Intent to Participate,” dated December 5, 2022 (COALITION’s Notice of Intent to Participate); see also Sierra Pacific’s Letter, “Certain Softwood Lumber Products from Canada: Notice of Intent to Participate in Sunset Review,” dated December 16, 2022 (Sierra Pacific’s Notice of Intent to Participate).

⁴ See COALITION’s Notice of Intent to Participate at 2-4; see also Sierra Pacific’s Notice of Intent to Participate at 1-2.

⁵ See COALITION’s Letter, “Five-Year (“Sunset”) Review of the Antidumping Duty Order on Certain Softwood Lumber Products from Canada: Substantive Response to Notice of Initiation,” dated December 30, 2022; see Sierra Pacific’s Letter, “Certain Softwood Lumber Products from Canada: Substantive Response to the Notice of Initiation,” dated January 3, 2023.

⁶ Resolute failed to show that it accounts for 50 percent or more of total exports of subject merchandise to the United States from Canada during the five years preceding the year of the initiation of these sunset reviews, pursuant to 19 CFR 351.218(e)(1)(ii)(A).

⁷ See Resolute’s Letter, “Initiation of Five-Year (Sunset) Reviews, Certain Softwood Lumber from Canada, 87 Fed. Reg. 73,757 (Dep’t of Commerce Dec. 1, 2022),” dated January 5, 2023.

⁸ See COALITION’s Letter, “Five-Year (“Sunset”) Review of the Antidumping Duty Order on Certain Softwood Lumber Products from Canada: Rebuttal to Resolute’s Substantive Response,” dated January 10, 2023.

⁹ See Commerce’s Letter, “Sunset Reviews Initiated December 1, 2022,” dated January 25, 2023.

parties an opportunity to submit a case brief commenting on the final results of the instant sunset review.¹⁰ On March 3, 2023, Resolute submitted a case brief.¹¹ On March 6, 2023, the COALITION submitted a request that Commerce provide interested parties an opportunity to submit rebuttal briefs.¹² On March 7, 2023, Resolute submitted rebuttal comments to the COALITION's request for a deadline for interested parties to submit rebuttal briefs in the instant sunset review.¹³ On March 8, 2023, Commerce provided interested parties an opportunity to submit case and rebuttal briefs with respect to this sunset review.¹⁴ On March 13, 2023, Sierra Pacific submitted a case brief with respect to the final results of the sunset review.¹⁵ On March 17, 2023, the domestic interested parties and Resolute submitted rebuttal briefs with respect to the issues raised in the interested parties' case briefs.¹⁶

Scope of the Order

The merchandise covered by this investigation is softwood lumber. For a complete description of the scope of the *Order*, see Appendix I.

Analysis of Comments Received

All issues raised in this sunset review are addressed in the accompanying Issues and Decision Memorandum.¹⁷ The issues discussed in the Issues and Decision Memorandum are listed in Appendix II. The Issues and Decision Memorandum is a public document and is on file

¹⁰ See Resolute's Letter, "Softwood Lumber from Canada: First Sunset Review; Resolute's Request For Briefing Schedule In Expedited Sunset Review Pursuant To 19 C.F.R. §351.309(c)(1)(iii)," dated January 26, 2023.

¹¹ See Resolute's Letter, "Certain Softwood Lumber from Canada, Five-Year (Sunset) Review: Resolute's Case Brief," dated March 3, 2023.

¹² See COALITION's Letter, "Five-Year ("Sunset") Review of the Antidumping Duty Order on Certain Softwood Lumber Products from Canada: Request for Rebuttal Brief Deadline," dated March 6, 2023.

¹³ See Resolute's Letter, "Certain Softwood Lumber from Canada, Five-Year (Sunset) Review: Response to Petitioner's Request for Rebuttal Brief Deadline," dated March 7, 2023.

¹⁴ See Memorandum, "Certain Softwood Lumber Products from Canada, First Expedited Sunset Review; Briefing Schedule," dated March 8, 2023.

¹⁵ See Sierra Pacific's Letter, "Certain Softwood Lumber Products From Canada: Case Brief," dated March 13, 2023.

¹⁶ See COALITION's Letter, "Five-Year ("Sunset") Review of the Antidumping Duty Order on Certain Softwood Lumber Products from Canada: Rebuttal Brief," dated March 17, 2023; see also Sierra Pacific's Letter, "Certain Softwood Lumber Products from Canada: Rebuttal Brief," dated March 17 2023; and Resolute's Letter, "Certain Softwood Lumber from Canada, Five-Year (Sunset) Review: Resolute's Rebuttal Brief," dated March 17, 2023.

¹⁷ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Antidumping Duty Order on Certain Softwood Lumber Products from Canada," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, Commerce determines that revocation of the *Order* would be likely to lead to the continuation or recurrence of dumping, and the magnitude of the weighted-average dumping margin likely to prevail is up to 7.28 percent.

Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a). Timely notification of the return or destruction of APO materials or conversion to judicial protective orders is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

We are issuing and publishing the final results and this notice in accordance with sections 751(c), 752(c), 771(i)(1) of the Act, and 19 CFR 351.218(e)(1)(II)(C)(2) and 351.221(c)(5).

Dated: March 31, 2023.

Abdelali Elouaradia,
Deputy Assistant Secretary
for Enforcement and Compliance.

Appendix I

Scope of the *Order*

The merchandise covered by this *Order* is softwood lumber, siding, flooring and certain other coniferous wood (softwood lumber products). The scope includes:

- Coniferous wood, sawn, or chipped lengthwise, sliced or peeled, whether or not planed, whether or not sanded, or whether or not finger-jointed, of an actual thickness exceeding six millimeters.
- Coniferous wood siding, flooring, and other coniferous wood (other than moldings and dowel rods), including strips and friezes for parquet flooring, that is continuously shaped (including, but not limited to, tongued, grooved, rebated, chamfered, V-jointed, beaded, molded, rounded) along any of its edges, ends, or faces, whether or not planed, whether or not sanded, or whether or not end-jointed.
- Coniferous drilled and notched lumber and angle cut lumber.
- Coniferous lumber stacked on edge and fastened together with nails, whether or not with plywood sheathing.
- Components or parts of semi-finished or unassembled finished products made from subject merchandise that would otherwise meet the definition of the scope above.

Finished products are not covered by the scope of this *Order*. For the purposes of this scope, finished products contain, or are comprised of, subject merchandise and have undergone sufficient processing such that they can no longer be considered intermediate products, and such products can be readily differentiated from merchandise subject to this *Order* at the time of importation. Such differentiation may, for example, be shown through marks of special adaptation as a particular product. The following products are illustrative of the type of merchandise that is considered “finished” for the purpose of this scope: I-joists; assembled pallets; cutting boards; assembled picture frames; garage doors.

The following items are excluded from the scope of this *Order*:

- Softwood lumber products certified by the Atlantic Lumber Board as being first produced in the Provinces of Newfoundland and Labrador, Nova Scotia, or Prince Edward Island from logs harvested in Newfoundland and Labrador, Nova Scotia, or Prince Edward Island.
- U.S.-origin lumber shipped to Canada for processing and imported into the United States if the processing occurring in Canada is limited to one or more of the following: (1) kiln drying; (2) planing to create smooth-to-size board; or (3) sanding.
- Box-spring frame kits if they contain the following wooden pieces--two side rails, two end (or top) rails and varying numbers of slats. The side rails and the end rails must be radius-cut at both ends. The kits must be individually packaged and must contain the exact number of wooden components needed to make a particular box-spring frame, with no further processing required. None of the components exceeds 1” in actual thickness or 83” in length.
- Radius-cut box-spring-frame components, not exceeding 1” in actual thickness or 83” in length, ready for assembly without further processing. The radius cuts must be present on both ends of the boards and must be substantially cut so as to completely round one corner.

Softwood lumber product imports are generally entered under Chapter 44 of the Harmonized Tariff Schedule of the United States (HTSUS). This chapter of the HTSUS covers “Wood and articles of wood.” Softwood lumber products that are subject to this *Order* are currently classifiable under the following ten-digit HTSUS subheadings in Chapter 44:

4406.11.0000; 4406.91.0000; 4407.10.01.01; 4407.10.01.02; 4407.10.01.15; 4407.10.01.16; 4407.10.01.17; 4407.10.01.18; 4407.10.01.19; 4407.10.01.20; 4407.10.01.42; 4407.10.01.43; 4407.10.01.44; 4407.10.01.45; 4407.10.01.46; 4407.10.01.47; 4407.10.01.48; 4407.10.01.49; 4407.10.01.52; 4407.10.01.53; 4407.10.01.54; 4407.10.01.55; 4407.10.01.56; 4407.10.01.57; 4407.10.01.58; 4407.10.01.59; 4407.10.01.64; 4407.10.01.65; 4407.10.01.66; 4407.10.01.67; 4407.10.01.68; 4407.10.01.69; 4407.10.01.74; 4407.10.01.75; 4407.10.01.76; 4407.10.01.77; 4407.10.01.82; 4407.10.01.83; 4407.10.01.92; 4407.10.01.93; 4407.11.00.01; 4407.11.00.02; 4407.11.00.42; 4407.11.00.43; 4407.11.00.44; 4407.11.00.45; 4407.11.00.46; 4407.11.00.47; 4407.11.00.48; 4407.11.00.49; 4407.11.00.52; 4407.11.00.53; 4407.12.00.01; 4407.12.00.02; 4407.12.00.17; 4407.12.00.18; 4407.12.00.19; 4407.12.00.20; 4407.12.00.58; 4407.12.00.59; 4407.19.05.00; 4407.19.06.00; 4407.19.10.01; 4407.19.10.02; 4407.19.10.54; 4407.19.10.55; 4407.19.10.56; 4407.19.10.57; 4407.19.10.64; 4407.19.10.65; 4407.19.10.66; 4407.19.10.67; 4407.19.10.68; 4407.19.10.69; 4407.19.10.74; 4407.19.10.75; 4407.19.10.76; 4407.19.10.77; 4407.19.10.82; 4407.19.10.83; 4407.19.10.92; 4407.19.10.93; 4409.10.05.00; 4409.10.10.20; 4409.10.10.40; 4409.10.10.60; 4409.10.10.80; 4409.10.20.00; 4409.10.90.20; 4409.10.90.40; 4418.50.0010; 4418.50.0030; 4418.50.0050 and 4418.99.10.00.

Subject merchandise as described above might be identified on entry documentation as stringers, square cut box-spring-frame components, fence pickets, truss components, pallet components, flooring, and door and window frame parts. Items so identified might be entered under the following ten-digit HTSUS subheadings in Chapter 44:

4415.20.40.00; 4415.20.80.00; 4418.99.90.05; 4418.99.90.20; 4418.99.90.40; 4418.99.90.95; 4421.99.70.40; and 4421.99.97.80.

Although these HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this *Order* is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
 - II. Background
 - III. Scope of the *Order*
 - IV. History of the *Order*
 - V. Legal Framework
 - VI. Discussion of the Issues
 - 1. Likelihood of Continuation or Recurrence of Dumping
 - 2. Magnitude of the Dumping Margin Likely to Prevail
 - VII. Final Results of Sunset Review
 - VIII. Recommendation
- [FR Doc. 2023-07250 Filed: 4/5/2023 8:45 am; Publication Date: 4/6/2023]